
HOUSE BILL No. 1125

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-1-2-48.5.

Synopsis: Utility subsidies to affiliates. Provides that certain public utilities may not provide certain subsidies to affiliates or unregulated activities. Provides remedies if a public utility violates the prohibition on subsidies.

Effective: July 1, 2003.

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January 7, 2003, read first time and referred to Committee on Commerce and Economic Development.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1125

A BILL FOR AN ACT to amend the Indiana Code concerning utilities.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 8-1-2-48.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]: **Sec. 48.5. (a) This section applies to the following:**

4 **(1) A public utility engaged in producing, transmitting,**
5 **delivering, or furnishing heat, light, or power.**

6 **(2) A utility governed and managed by the department of**
7 **public utilities for a consolidated city under IC 8-1-11.1.**

8 **(b) This section does not apply to a telephone company (as**
9 **defined in section 88 of this chapter).**

10 **(c) As used in this section, "assigned service area" has the**
11 **meaning set forth in IC 8-1-2.3-2.**

12 **(d) As used in this section, "subsidy" means the giving by a**
13 **public utility company to an affiliate or an unregulated activity of**
14 **the public utility company an advantage or preference with respect**
15 **to the public utility company's resources, including any of the**
16 **following:**

17 **(1) Advertising.**



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- (2) Billing and mailing systems.
- (3) Customer and marketing information.
- (4) Office equipment.
- (5) Office space.
- (6) Supplies.
- (7) Tools.
- (8) Training.
- (9) Trucks.
- (10) Use of the public utility's name.

(e) A public utility subject to the commission's jurisdiction may not provide a subsidy to an affiliate or unregulated activity for a product or service offered or provided to the public by the public utility if the product or service is:

- (1) offered or provided in the public utility's assigned service area; and
- (2) not subject to the commission's jurisdiction.

(f) A person that suffers a pecuniary loss from a violation of this section may file a complaint with the commission. The commission shall investigate the complaint as the commission considers appropriate. After notice and hearing, the commission may use any powers it has under this title to remedy a violation of this section, including ordering the public utility immediately to cease any activity the commission finds violates this section.

(g) Notwithstanding subsection (f), a person that suffers a pecuniary loss from a violation of this section may file a civil action in an Indiana court having jurisdiction. If the court finds that the person has suffered a pecuniary loss, the court may do the following:

- (1) Grant appropriate injunctive relief.
- (2) Award appropriate damages.

A person that files a civil action under this subsection is not required to exhaust administrative remedies.

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